## **III CANADA IN THE WORLD**

The dynamics of international life raise issues of direct relevance to our prosperity and security. We cannot isolate ourselves behind barriers; the world will not allow us that luxury. The whole range of international issues — economic, political and security — now extends unavoidably into our daily lives.

The international economy is our economy. None of us is unaffected, not the homeowner renewing a mortgage, not the factory-worker or the small businessman, not the farmer, fisherman or seal hunter, not the large corporation. We are subject to its constraints and open to its opportunities.

Every region of Canada is dependent on exporting to foreign markets. From softwood lumber in British Columbia to oil and gas in Alberta and Saskatchewan, from automotive products in Ontario and transportation equipment in Quebec to lumber and fish in New Brunswick and Nova Scotia, the story is everywhere the same. Major industries cannot survive without exports to foreign markets. And those exports mean jobs for millions of Canadians. The only differences are of magnitude. Manitoba, a major producer of wheat, exports 15% of its gross provincial product; while Newfoundland sends fully 70% of its total shipments of goods to foreign markets, including 90% of its major resource products (fish, minerals and newsprint). Prince Edward Island, small as it is, exports to 53 different countries around the world.

Similarly, our security is everyone's security. Conditions abroad touch and change our lives. Tensions between Moscow and Washington, war in the Gulf, a refugee exodus from Indo-China, terrorist murders in London — or Ottawa — all diminish our security and demand our attention. There are few corners of the world which Canadians do not know or care about and few whose circumstances do not affect our welfare.

Shifting international opportunities and constraints demand corresponding changes in Canadian policies. The status quo is not an attractive option and we face some difficult choices. If we are to make the right decisions, we have first to take a hard look at ourselves — our economic competitiveness and our power and influence in international affairs — and at the need to change.

## **COMPETITIVENESS**

Our competitiveness in the world economy is vital. It establishes our relative wealth and determines our possibilities for the future. Riding on it are:

- our standard of living;
- the jobs of Canadians in every region of the country;

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The international economy is our economy; everyone's security is our security.

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